

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF LARUE COUNTY WATER) CASE NO. 2010-00457
DISTRICT NO. 1)

ORDER

On November 24, 2010, Larue County Water District No. 1 ("Larue County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Larue County purchases water from Green River Valley Water District ("Green River"), City of Hodgenville ("Hodgenville"), City of Bardstown ("Bardstown"), the city of New Haven ("New Haven"), City of Campbellsville ("Campbellsville"), and Green Taylor Water District ("Green Taylor").

2. Green River notified Larue County that it would increase its wholesale water rates effective November 5, 2010. Green River's wholesale water rate to Larue County would increase from \$1.58 per 1,000 gallons to \$2.14 per 1,000 gallons.

3. On November 8, 2010, Larue County's Board of Commissioners voted to increase the water rates to its customers effective November 8, 2010, in an amount commensurate with the increase in Green River's wholesale rate.

¹ KRS 278.015; 807 KAR 5:068.

4. Larue County's computation of the proposed rates contained a mathematical error.

5. During the 12 months ending October 31, 2010, Larue County purchased a total of 86,793,600 gallons of water from Green River, 47,101,000 gallons of water from Hodgenville, 35,031,800 gallons of water from Bardstown, 12,552,300 gallons of water from New Haven, 5,279,600 gallons of water from Campbellsville, and 1,998,800 gallons of water from Green Taylor, and sold a total of 165,033,570 gallons of water. The increase in the cost of purchased water is \$48,604.42, resulting in a purchased water adjustment of \$0.30 per 1,000 gallons.

6. A purchased water adjustment of \$0.30 per 1,000 gallons is fair, just, and reasonable.

IT IS HEREBY ORDERED that:

1. Larue County's proposed rates are denied.

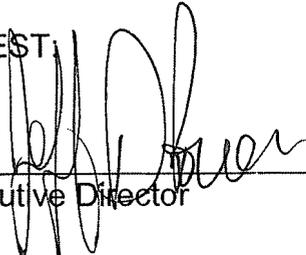
2. The purchased water adjustment increase of \$0.30 per 1,000 gallons as calculated in Appendix A is approved. The rates in Appendix B, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after November 8, 2010.

3. Within 20 days of the date of this Order, Larue County shall file revised tariff sheets with the Commission showing the rates approved herein.

By the Commission

ENTERED *R*
DEC 16 2010
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00457 DATED

DEC 16 2010

	Base Rate	New Rate
Larue County Water District		
Purchases in gallons		
Green River Valley WD	86,793,600	86,793,600
Volumetric Rate	\$1.58/1,000	\$2.14/1,000
City of Hodgenville	47,101,000	47,101,000
City of Bardstown	35,031,800	35,031,800
City of New Haven	12,552,300	12,552,300
City of Campbellsville	5,279,600	5,279,600
Green Taylor WD	1,998,800	1,998,800
Volumetric Rate	No Change	No Change
	\$137,133.89	\$185,738.30
	Increased water cost	\$48,604.42
Increased water cost		\$ 48,604.42
Divided by gallons sold		<u>165,033,570</u>
Purchased water adjustment increase factor		\$0.30 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00457 DATED **DEC 16 2010**

The following rates and charges are prescribed for the customers in the area served by Larue County Water District No. 1. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" x 3/4" Meter

First	1,000 gallons	\$12.80	Minimum Bill
Next	4,000 gallons	5.70	per 1,000 gallons
Next	5,000 gallons	5.05	per 1,000 gallons
Over	10,000 gallons	4.05	per 1,000 gallons

3/4" Meter

First	3,000 gallons	\$24.20	Minimum Bill
Next	2,000 gallons	5.70	per 1,000 gallons
Next	5,000 gallons	5.05	per 1,000 gallons
Over	10,000 gallons	4.05	per 1,000 gallons

1" Meter

First	5,000 gallons	\$35.60	Minimum Bill
Next	5,000 gallons	5.05	per 1,000 gallons
Over	10,000 gallons	4.05	per 1,000 gallons

1 1/2" Meter

First	10,000 gallons	\$60.85	Minimum Bill
Over	10,000 gallons	4.05	per 1,000 gallons

2" Meter

First	20,000 gallons	\$101.35	Minimum Bill
Over	20,000 gallons	4.05	per 1,000 gallons

Honorable Damon R Talley
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